Office:

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From:

Sent: Wednesday, February 24, 2010 8:48:29 AM

To: Cc:

Subject: RE: TEFRA

Section 465 (at risk limitations) do not apply to partnerships. <u>Hambrose v. Commissioner</u>, 99 T.C. 298 (1992). Section 704(d) (limiting losses to amount of basis) does. Agents sometimes conflate or confuse the two terms, but they are separate concepts with only basis limitations applying at the partnership level.